

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 8046**  
**BILL NUMBER: SB 503**

**DATE PREPARED:** Jan 16, 2001  
**BILL AMENDED:**

**SUBJECT:** Smart start program and grant.

**FISCAL ANALYST:** Chuck Mayfield  
**PHONE NUMBER:** 232-4825

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures			60,000,000
Net Increase (Decrease)			(60,000,000)

LOCAL IMPACT	CY 2001	CY 2002	CY 2003
Local Revenues		30,000,000	30,000,000
Local Expenditures			
Net Increase (Decrease)		30,000,000	30,000,000

**Summary of Legislation:** This bill establishes a grant program for school readiness programs beginning in the 2002-2003 school year. It requires school corporations to develop and submit a plan to the Department of Education and Indiana State Board of Education for approval before receiving a grant. The bill appropriates \$60,000,000 to the Department of Education for its use in awarding grants during the 2001-2003 biennium.

**Effective Date:** July 1, 2001; July 1, 2002.

**Explanation of State Expenditures:** The bill appropriates \$60M for the 2001-03 biennium to make Smart Start program grants. Schools must submit their plan to the Department of Education for review and approval before January 1, 2002 to receive a grant in the 2002-03 school year. The first grants will be made in FY

2002-03.

Programs similar to the following are eligible for the grants:

1. Head Start under 42 U.S.C. 9831 et seq.
2. Even Start.
3. Transitional kindergarten and grade 1.
4. Full day kindergarten.
5. Before and after school programs.
6. Other nationally accepted programs that improve school readiness.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The local impact assumes the \$60 M in grant will be equally split between the last six months of CY 2002 and the first six months of CY 2003.

School must adopt a plan establishing a Smart School Program. The plan must include:

1. Goals, objectives, and expectation of the program consistent with strategic improvement and achievement plan.
2. Anticipated or estimated participation in each program.
3. Physical space need, specifically identifying need for more classrooms and estimated cost.
4. Transportation needs, including additional bus routes and estimated costs.
5. Personnel needs, including additional teachers, aides, and other staff.
6. Professional development plans for program teachers.
7. Academic structure of the program.
8. List of statutes and rules that are necessary to have waived for success of program.
9. Parental involvement plans for program.
10. Evaluation methods that will be used to monitor progress.

**State Agencies Affected:** Department of Education

**Local Agencies Affected:** Local School Corporations

**Information Sources:**